

Directions Statement for VET in NSW

Background

In 2015, the NSW Government embarked on the biggest reforms of the state's subsidised vocational education and training (VET) sector in decades – Smart and Skilled – to provide a pipeline of skilled workers while using public funds efficiently.

The program helps people get the skills they need to find a job and advance their careers by providing eligible students with an entitlement to government-subsidised training up to and including Certificate III and government funding for higher-level courses (Certificate IV and above) in targeted priority areas.

Smart and Skilled introduced contestability into government-subsidised training, with TAFE NSW, private training providers, and Adult and Community Education providers competing to provide education and training to students in 15 regions across NSW.

Reviews of Smart and Skilled

Since Smart and Skilled began 18 months ago, we've listened to feedback and made improvements to the program to ensure we're meeting the changing needs of our state's businesses, students and economy.

This process is ongoing and we actively seek feedback from our stakeholders to inform the program's offering as it evolves.

As part of this continued process of feedback and improvement, the NSW Skills Board commissioned an independent review of the first year of Smart and Skilled. The review focused on the effectiveness and adequacy of the selection of Smart and Skilled training providers and on the impact of Smart and Skilled policies on the NSW VET market.

In addition to this independent review, the NSW Legislative Council consulted with industry, training providers, students and peak interest groups as part of its Inquiry into VET in NSW in 2015 and made a number of recommendations.

Both reviews indicate that Smart and Skilled is on track whilst also identifying areas for improvement and recommended measures which will help the program deliver even better value to the community.

Our Directions Statement for Vocational Education and Training addresses the key findings and recommendations from both reviews.

Directions Statement for VET

The Directions Statement outlines the next phase of Smart and Skilled. It includes proposed changes to the program that will benefit both students and employers; help more students access training, particularly disadvantaged students and those in rural or regional areas; and ensure we maintain our high quality standards and strict consumer protections.

The Statement focuses on five themes emerging from the reviews, outlined below.

Improving access and choice for students

Getting a job or a better job through VET changes lives, not just for individuals but for families and communities. To ensure life-changing training is accessible to all, we will:

- continually evaluate the NSW VET system to improve future training delivery
- prioritise training delivery in thin markets
- provide appropriate and equitable funding for TAFE NSW and non-TAFE NSW providers to fully support disadvantaged students and students with disability
- improve how we measure student outcomes such as employment rates, satisfaction of students and employers, progress to further training and social participation.

Continue to ensure fair pricing and funding

The NSW Government has a responsibility to balance affordability for students while maximising funds to support as many training places as possible, which is why we will:

- review the methodology for qualification prices, student fees and subsidies to determine whether it continues to provide fair value to students and training providers
- correct pricing anomalies for a small number of courses where these have occurred.

A responsive, flexible NSW Skills List

Smart and Skilled prioritises the state's skills needs, with the NSW Government subsidising only those courses in demand by industry. These will change over time, based on changes to our economy and employer needs. This is why we will:

- actively review and update the NSW Skills List and provide greater flexibility for existing training providers to offer new qualifications.

Stronger accountability and controls over subcontractors and brokers

To continue to provide the best value and responsibly using public funds, we will:

- strengthen minimum expectations of subcontracting arrangements
- introduce new quality assurance requirements to prevent misuse of brokers
- hold Smart and Skilled training providers accountable for the actions of their subcontractors and brokers.

Ensuring an efficient application process that maintains quality

To ensure students can access courses from a large range of quality providers, we will:

- simplify the application process and enable additional qualitative information to be submitted
- ensure training providers have confidence that their Smart and Skilled contract will be rolled over where there is proven satisfactory performance
- strengthen performance monitoring and compliance under Smart and Skilled.

For more information, visit www.training.nsw.gov.au